

the



BOND TELLER

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TELL YOUR CUSTOMERS ABOUT THE SAVINGS BOND CONNECTION

The Bureau of the Public Debt now has a convenient new way for people to buy savings bonds 24 hours a day, 7 days a week—it's called "The Savings Bond Connection."

Customers can buy Series EE Bonds or I Bonds over the Internet using their credit cards from Public Debt's website, www.savingsbonds.gov. They fill out an online form, securely transmit order and payment information, and the bond arrives within two weeks. It's that simple!

Customers have a choice in level of security used to protect their payment information as it travels over the Internet. They can choose either Secure Sockets Layer (SSL) or Secure Electronic Transaction (SET) technology. SSL is the most common

security protocol used on the Internet today. It protects customer information by encrypting it.

The SET protocol takes it one step further by authenticating all parties in the transaction. Customers know they're sending information to Public Debt for a purchase, they know the payment is going to an authorized location, and Public Debt knows the customers' identities.

If your customers are looking for a way to buy savings bonds online and you don't offer bonds through Internet Banking services, tell them about "The Savings Bond Connection." It takes about 5 - 7 minutes to place an order, depending on the speed of the Internet connection.

Attractive gift certificates are available online for any occasion—birthday, new baby, wedding, or graduation. There are even some "all occasion" gift certificates!

Y2K UPDATE

As January 1, 2000 draws near, you're probably getting more questions from customers who want to know if their investment in savings bonds is safe.

We began our Year 2000 review over four years ago, and have methodically identified, tested, and verified computer systems in the Bureau of the Public Debt.

While we continue to review our systems to ensure we haven't missed anything, we feel confident that we are ready for the new millennium.

Please let your customers know that their savings bond investments should be just as safe and secure in the coming millennium as they were in this one. If they need more information, they can write us at Bureau of the Public Debt, 200 Third Street, Room 507, Parkersburg, WV 26106, or they can check out our website at www.savingsbonds.gov/cc/ccy2k.htm.

IN THIS ISSUE

TELL YOUR CUSTOMERS ABOUT THE SAVINGS BOND CONNECTION	1
Y2K UPDATE	1
OLD BONDS MAY BE IN THE ATTIC OR SAFE DEPOSIT BOX	2
MAKE A GOOD IMPRESSION: STAMP THAT BOND HARD!	3
GET REDEMPTION TABLES ONLINE	3
COULD YOU USE SOME HELP?	3
JUST ASK US!	4
SAVINGS BOND SEMINARS	4
I-BONDS CATCH ON	5
REGISTERED MAIL	5
CUSTOMER INFORMATION	5
HOME BANKING SALES ARE GROWING! IS YOUR INSTITUTION ONLINE?	6
REGULAR SAVINGS THE EASY WAY	6

OLD BONDS MAY BE IN THE ATTIC OR SAFE DEPOSIT BOX

It may surprise you to know that there are over 17 million savings bonds that have reached final maturity but have not been redeemed. That's about 6 billion dollars in bonds!

Although some bonds were willingly destroyed during World War II patriotic bond burning rallies, it's a safe bet that most of these matured savings bonds are still in the possession of their owners or their descendants.

In some cases, owners may know about the bonds but have chosen not to redeem them. In other cases, the bonds have been misplaced or forgotten.

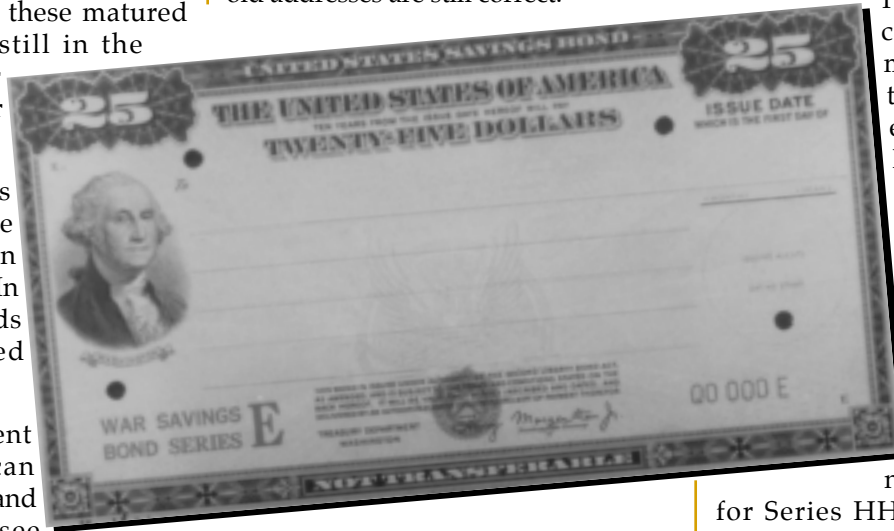
These bonds represent money the American public is entitled to, and Treasury wants to see that it is received by the persons entitled.

Our efforts to contact owners of matured bonds are complicated by the

fact that we don't have current addresses for these owners. Savings bonds are inscribed with the owner's address at the time of issue. We maintain microfilm of paper registration records for matured bonds, but searching the film is a time-consuming and costly manual process, and there's no guarantee that decades-old addresses are still correct.

older bonds at home or in safe deposit boxes.

It's also a good idea for them take a look at the bonds they have on hand to see which have matured or will reach final maturity in the near future and start planning what to do with them.



There's no advantage in continuing to hold matured bonds since they're no longer earning interest. Further, tax liability is incurred in the tax year that the bonds reach final maturity unless they are exchanged. Within the first twelve months after reaching final maturity, Series

E bonds and savings notes may be exchanged for Series HH savings bonds with continued tax deferral on the accrued interest. (Unmatured Series E bonds, savings notes, and Series EE bonds at least six months old may be

(Continued on page 5)

About ten years ago Public Debt inaugurated a "40-30-20" final maturity schedule that makes it easy to determine when Series E, EE, H, HH, and I bonds, and savings notes stop earning interest. Final maturities are as follows:

SERIES	ISSUE DATES	LIFE OF BOND	MATURITY DATES
E	May 1941—November 1965	40 Years	May 1981—November 2005
E	December 1965—June 1980	30 Years	December 1995—June 2010
Savings Notes	May 1967—October 1970	30 Years	May 1997—October 2000
EE	January 1980—	30 Years	January 2010—
H	February 1957—December 1979	30 Years	February 1987—December 2009
I	September 1998—	30 Years	September 2028—
HH	January 1980—	20 Years	January 2000—

All other Savings Bonds reached final maturity before this schedule was announced. Their maturities are as follows:

SERIES	ISSUE DATES	LIFE OF BOND	MATURITY DATES
A	March 1935—December 1935	10 Years	March 1945—December 1945
B	January 1936—December 1936	10 Years	January 1946—December 1946
C	January 1937—December 1938	10 Years	January 1947—December 1948
D	January 1939—April 1941	10 Years	January 1949—April 1951
F	May 1941—May 1952	12 Years	May 1953—May 1964
G	May 1941—May 1952	12 Years	May 1953—May 1964
J	June 1952—April 1957	12 Years	June 1964—April 1969
K	June 1952—April 1957	12 Years	June 1964—April 1969
H	June 1952—January 1957	29 Yrs. 8 Mos.	February 1982—September 1986

MAKE A GOOD IMPRESSION: STAMP THAT BOND HARD!

Why is it important for a teller to impress a legible payment stamp on a bond when making payment?

A legible payment stamp on the face of a bond: cancels the bond and establishes that it has been processed for payment, provides detailed payment information for customers who request information or a bond photograph from the Bureau of the Public Debt's Customer Service Branch, and enables the Bureau of the Public Debt to easily identify the paying agent if information is needed about a payment.

We want to provide good customer service to savings bond investors. When the Bureau receives an inquiry concerning a bond shown as paid, a photograph of the bond is sometimes

sent to the owner. Information shown in the payment stamp is often all the owner needs to help him remember the transaction.

The agent must cancel a paid bond by imprinting a "PAID" stamp on the bond in the open space immediately to the left of the issue date. The stamp must include the agent's name, location, and four-digit code number assigned by the Federal Reserve Bank. The amount paid and the actual date of payment must be inserted, as well as the initials, signature, code or symbols of the officer or employee who approves or makes payment. See the current revision of Department Circular No. 750 for specific instructions for procuring payment stamps and recording payment data on bonds.



COULD YOU USE SOME HELP?

If you don't have access to our website (www.savingsbonds.gov), you need the "Savings Bond Resource Guide" an easy-to-use guide book just for savings bonds agents. It's full of useful information, including what form to use and how to fill it out, answers to questions about savings bond interest, and much more.

This notebook guide was designed to help you help your customers. Because it's a notebook, you can make it even more useful by inserting your own tabs for the parts you look at most frequently. To get a copy contact your Federal Reserve Bank savings bond processing site: Buffalo, New York; Pittsburgh, Pennsylvania; Richmond, Virginia; Kansas City, Missouri; and Minneapolis, Minnesota. Each site has a toll-free telephone number (listed in the Guide) for the exclusive use of institutions that serve as savings bond agents:

Buffalo1-800-234-2931

Pittsburgh
(RDS Transactions) .1-800-521-7569
(Other Transactions) .1-800-245-2804

Richmond1-800-322-1909

Kansas City1-800-333-2919

Minneapolis1-800-553-2663



CORRECTION

A Bond Teller article on Savings Bonds seminars given at the Federal Reserve savings bonds processing sites gave a wrong number for the Kansas City Federal Reserve Bank. The correct number is 1-800-333-2919.



GET REDEMPTION TABLES ONLINE

The familiar paper redemption tables for savings bonds are now available in electronic format from Public Debt's website. It's simple to view and print all or part of the 6-month table of savings bond values. The electronic version provides a menu of links to help you jump directly to the information you're looking for—fast! You can download it at www.savingsbonds.gov/sav/savrdtbl.htm. It usually takes less than 2 minutes to download, depending on the speed of your Internet connection.

The tables are in "pdf" format, so you'll need the Adobe Acrobat Reader to view the file. It's available free from Adobe's website, www.adobe.com.

Public Debt will eventually stop printing paper redemption tables, as agents begin using electronic pricing tools such as BondPro and CRV. But there's good news for those who prefer paper tables to electronic pricing...you can still download and print redemption tables from our website!



RATE INFORMATION

Current interest rates on savings bonds can be obtained by calling the toll-free recording 1-800-4US-BOND (1-800-487-2663).

JUST ASK US!

Do customers ask questions about savings bonds that you can't answer?

Do you and your co-workers ever have questions about savings bonds that you would like us to answer?

We want to hear from you! We'll answer as many questions as we can right here in "The Bond Teller." Just jot your questions on a postcard and send them to:

Question for "The Bond Teller"
Division of Staff Services, 200 Third Street, Room 507, Bureau of the Public Debt, Parkersburg, WV 26106-1328.

Or e-mail your questions to savbonds@bpd.treas.gov, and be sure to tell us in your message that your question is for "The Bond Teller."

Here's a question many of you receive from customers:

Q. When I buy bonds as gifts, why can't the bond also show my name as buyer and giver of the gift so that the person getting the gift will know who it's from and I'll know they received it?

A. The giver's name can't be added to a gift bond using the systems now used to process bond orders. The Bureau of the Public Debt understands customers' concerns and is planning to meet this need as new systems are developed over the next few years.

In the meantime, if your customer wants a gift bond mailed directly to the person who is receiving the gift, offer them a gift certificate that the buyer can send to the person named on the bond to let him or her know that a bond will be arriving soon.

If your customer doesn't want to send a gift certificate but doesn't mind having the bond mailed to him or her first, there is another option.

Fill out the purchase order to show the purchaser's name in box 2. Under "NAME OF PERSON TO RECEIVE BONDS IF OTHER THAN THE OWNER OR FIRST-NAMED COOWNER ABOVE" ("BONDS TO BE DELIVERED 'CARE OF'" on older order forms) and purchaser's

(Continued on page 5)

SAVINGS BOND SEMINARS

Coming soon to a city near you are Savings Bond Seminars, a must for the well-informed teller or customer service representative.

The Federal Reserve savings bond offices are setting up next year's schedule for these informative sessions in convenient locations across the country.

Here are just a few of the topics offered: Advantages of Savings Bonds; Tax Treatments, including the Savings Bond Education Program; Comparing Bonds: Series E, EE, H, HH, and I; Purchasing Bonds and the Regional Delivery System; Interest Rates; and Redemption, Reissue, and Exchange. If you're interested in other topics, contact your servicing Federal Reserve Office.

To find the seminar schedule call your Federal Reserve servicing site or go to www.frb services.org/Treasury/SavingsBondsSeminarSchedule.cfm. In addition to the seminar schedule you'll also find contact names and phone numbers.

Change of Address

Editor: Please change the mailing address

*From: (Recipient please affix old label here or provide the **identification number** printed above the address on the label.)*

To: _____

Please change the number of copies I receive

from _____ to _____

_____ I no longer wish to receive "The Bond Teller."

OLD BONDS

(Continued from page 2)

exchanged for Series HH bonds at any time; however, Series I bonds are not eligible for exchange.)

As an authorized paying agent, you may cash matured Series A-E bonds and savings notes as long as the presenter provides proof of identity and entitlement as set out in the Identification Guide for Cashing United States Savings Bonds, PD F 3900.

If your customers present matured bonds that you are not authorized to cash, for example, an H bond, you should forward them to your servicing Federal Reserve Bank with any required supporting evidence as outlined in the Savings Bond Resource Guide. The person requesting payment must sign the

back of each bond, and you must establish that person's identity as if you were cashing the bonds.

Some of your customers may come across records that indicate bonds were purchased (old payroll deduction records or a serial number list, for example), but not the bonds themselves. If this is the case they should contact the Division of Transactions and Rulings, Savings Bond Operations Office, Bureau of the Public Debt, Parkersburg, WV 26106-1328. The Savings Bonds Resource Guide details the information that should be supplied to support a claim for lost, stolen, or destroyed bonds. If we identify matured unredeemed bonds on our records, and are satisfied that the claimant is entitled, a check for their redemption value will be issued to the claimant.

CUSTOMER INFORMATION

Your customers may receive information on bond earnings and values by sending a post card to the Bureau of Public Debt, 200 Third Street, Parkersburg, WV 26106-1328. Ask for Savings Bonds Earnings Report, Savings Bonds Investment Yield Tables and/or PD F 3600, an abbreviated version of the Tables of Redemption Values.

HELP WANTED!

We need a few paying agents to help test a new, expanded version of BondPro. BondPro is our newest tool for pricing savings bonds.

BondPro Version 2.0 has features you asked for, like reprinting receipts and editing customer transactions. And, Version 2.0 will let you select your database from: Microsoft Access or SQL Server, IBM UDB (DB2), or Oracle.

If you're interested in helping us make BondPro 2.0 available as soon as possible, please call Becky Wright at (304) 480-6319 to find out more.

JUST ASK US!

(Continued from page 4)

address in box 3 under "ADDRESS WHERE BONDS ARE TO BE MAILED."

The bond can then be mailed to the purchaser so that he or she may either mail the bond to the intended recipient or present it in person. This way a personal message may be included on a card or in a letter. In addition, although the purchaser's name on the bond immediately below the owner's or first-named coowner's name does not give any ownership rights, it does serve as a reminder of who bought the bond.

I-BONDS CATCH ON

The idea of an inflation-indexed bond seems to have caught the imagination of many Americans. Sales for the bond reached \$400 million in just 11 months, September, 1998 to July, 1999.

REGISTERED MAIL

Since Savings Bonds are registered by name and by Serial Number, your customers really don't need to mail bonds by Registered Mail. Keep a good record of bonds owned and postage money can be saved to buy more bonds.

ANY QUESTIONS? LET US KNOW

Do you have any questions? Let us know.

Questions may also be sent to: Sheila E. Nelson, Editor, The Bond Teller, Bureau of the Public Debt, 999 E St., NW Washington, DC 20239.

HOME BANKING BOND SALES ARE GROWING! IS YOUR INSTITUTION ONLINE?



PARTNERS: Scott Ludrick (left), Regional Director, Savings Bonds Marketing Office, Dallas, Texas, presents a "Partners for the Future" certificate to Dan Martin, President Q-UP Systems, Inc.

The United States Department of Treasury recently presented a "Partners for the Future" certificate of recognition to Q-UP Systems, Inc. of Austin, Texas. Q-UP is a leading provider of web-based financial products.

The certificate recognized the company for providing for the purchase of Savings Bonds through their Internet banking system product.

U.S. Series EE and I Savings Bonds of up to \$10,000 may be purchased via Q-UP Internet Banking System. The Savings Bonds module is a standard feature of their home banking system.

The traditional method of purchasing Savings Bonds requires a good bit of paperwork. Now, with the automated online service, purchasers simply fill out their personal identification information online, select the type, denomination, and number of bonds they want and submit their purchase to their financial institution. The institution then charges the customer's selected account for the bonds and sends the order electronically to the savings bonds processing center at the Federal Reserve. In the past, consumers would receive their bonds

approximately three weeks after filling out the paperwork at the bank.

With the Internet banking purchase of savings bonds, consumers receive their bonds by mail in about one week.

"We want to make it easier for customers to purchase U.S. Savings Bonds and through our partnerships with Q-UP Systems and their financial institution customers we are providing another avenue for this to happen," said Van Zeck, Commissioner of Public Debt. "Q-UP's large customer base across the country significantly increases the number of financial institutions that will now offer this convenient new way to save." Other companies who have been providing home banking bond sales are Digital Insight, Calabasas, California; and SBS Corporation, Birmingham, Alabama. More vendors are planning to provide bond sales in the future. The Bureau of the Public Debt expects more than 100 financial institutions to be selling bonds online by the end of the year. To learn more about selling bonds online:

- Visit: www.savingsbonds.gov/sav/savhb.htm
- Call: 304-480-3600
- E-mail: Homebank@bpd.treas.gov

REGULAR SAVINGS THE EASY WAY

The U.S. Savings Bonds EasySaver™ Plan was specifically designed for customers who want to participate in a systematic, recurring savings bond purchase plan. It is another way to sign up to buy bonds, filling in the gap for people who don't have payroll savings plans where they work, or whose banks don't offer a Bond-A-Month plan.

EasySaver uses ACH debits to the purchaser's account to automatically issue savings bonds, at least two a year, and so is not suitable for every purchase.

It certainly was not intended to replace the Regional Delivery System (RDS), and many customers find banks such as yours to be the most convenient and accessible place to buy bonds.

Your customers come to you for a full range of financial services, so if they ask about the EasySaver plan keep this toll-free number, website, and address handy to tell them where they can obtain more information, an enrollment form and even a return envelope:

Call 1-877-811-SAVE (7283), or visit the EasySaver website, www.easysaver.gov, or write to:
U.S. SAVINGS BONDS
EASYSAYER PLAN,
P.O. BOX 802,
PARKERSBURG, WV 26102-0802.

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